

Smoky Mountain Center HB1473 State Psychiatric Hospital Utilization Pilot Project

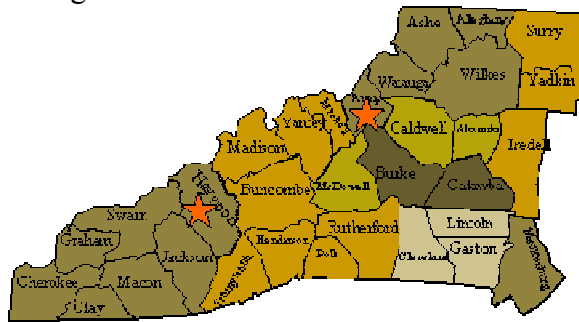
Executive Summary

Why did Smoky Mountain Center pursue the pilot program?

We have seen the inpatient crisis building for several years. Smoky Mountain Center proposed a State Hospital capitation program in 2003, and we encouraged our hospital partners to consider opening a psychiatric inpatient program. In March 2004, Smoky Mountain Center opened a crisis unit called the Balsam Center For Hope and Recovery, which reduced Broughton Hospital admissions by 40%. However, lack of timely access to acute psychiatric inpatient beds has created an intolerable situation for clients, families, local hospitals, law enforcement, providers and SMC crisis services.

What is our plan to reduce State Hospital utilization?

1. Inpatient Capacity: SMC is entering into a public/private partnership to open a 16 bed adult unit at Haywood Regional Medical Center in Waynesville, and a 10 bed adult unit at Cannon Memorial Hospital in Newland. Relational contracting will ensure target population is served.
2. Community based emergency services
3. Child crisis bed program
4. Specialized geriatric residential program
5. On site State Hospital liaison
6. Improved care management



Planned Inpatient Programs ★

What will our pilot program accomplish?

- Inpatient programs will serve individuals at the time of their need, close to home, with involvement of family and care providers.
- Wait times for clients, families, emergency services, emergency rooms and law enforcement will be significantly reduced for most inpatient admissions.
- Inpatient disposition will allow other service components to function properly, and in a coordinated fashion, including emergency rooms, crisis units, and provider 1st response.
- Children who can be safely served in a crisis residential setting will avoid inpatient admission.
- Older adults with psychiatric issues will be served through specialized residential programs.
- Adult admissions to Broughton will be reduced an additional 48%, and overall utilization will be reduced by 3333 bed days annually by the end of the 18 month period. This will generate annual cost savings for the State as follows:

| State Funding For Pilot | Cost Savings At State Hospital | Annual State Savings |
|-------------------------|--------------------------------|----------------------|
| \$1,268,376 | \$1,826,500 | \$558,124 |